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PARLIAMENT LIBRARY  
TOWER HILL FREETOWN

LOAN NO. I-893-SL  
GRANT NO. I-DSF-8115-SL

PARLIAMENT LIBRARY  
TOWER HILL FREETOWN

## FINANCING AGREEMENT

Rural Finance and Community Improvement Programme - Phase II  
(RFCIP 2)

between the

**REPUBLIC OF SIERRA LEONE**

and the

**INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT**

Signed in Rome, Italy and Freetown, Sierra Leone

15-18-19  
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## FINANCING AGREEMENT

Loan Number: I-893-SL

Grant Number: I-DSF-8115-SL

Programme Title: Rural Finance and Community Improvement Programme – Phase II (“RFCIP2” or “the Programme”)

The Republic of Sierra Leone (the “Borrower/Recipient”)

and

The International Fund for Agricultural Development (the “Fund” or “IFAD”)

(each a “Party” and both of them collectively the “Parties”)

hereby agree as follows:

### PREAMBLE

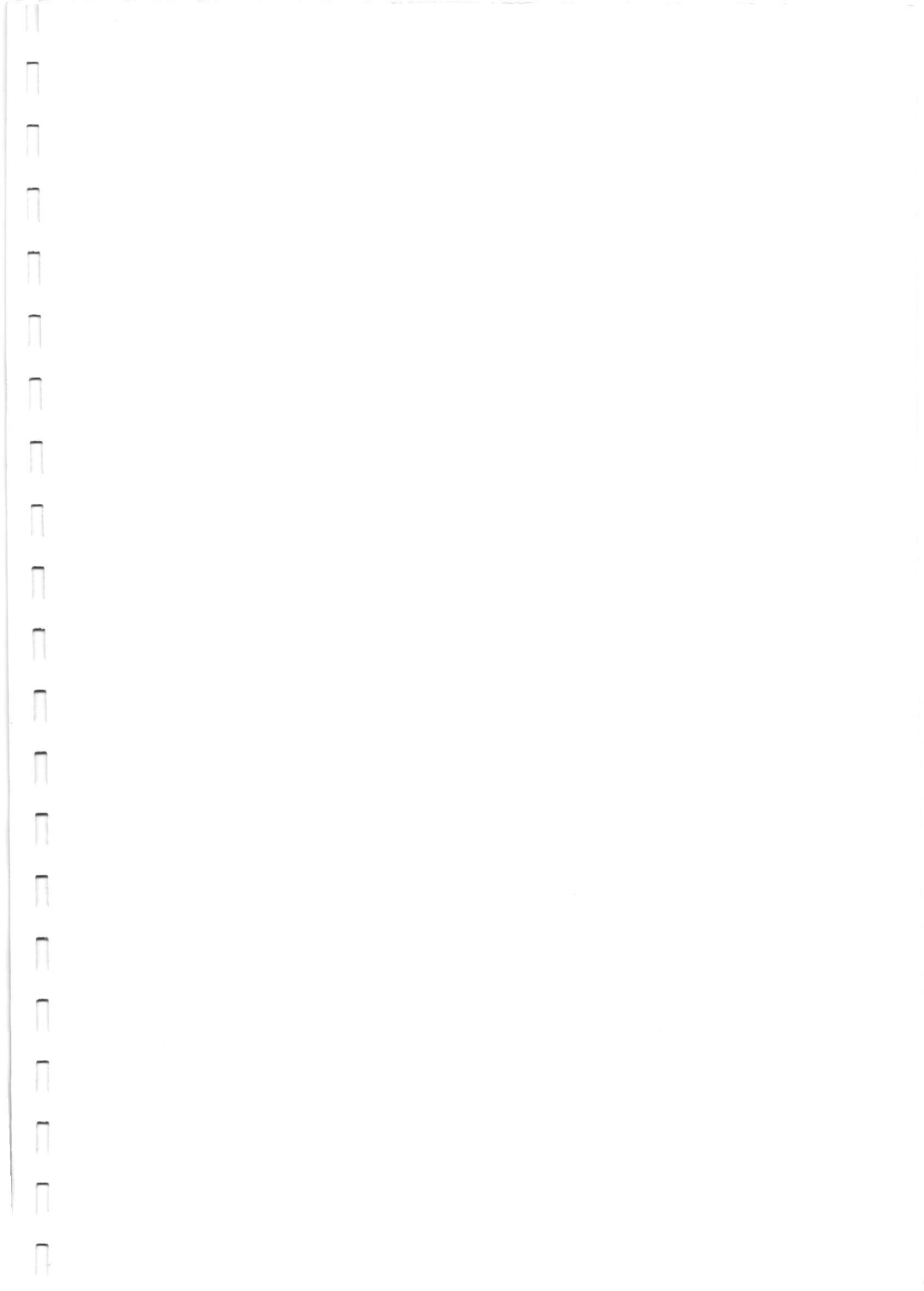
WHEREAS, the Borrower/Recipient intends to obtain co-financing from the National Social Security and Insurance Trust (NaSSIT), the International Finance Corporation (IFC) or other donor to supplement the financing of activities under this Programme.

WHEREAS, the Fund has agreed to extend to the Borrower/Recipient a loan (the “Loan”) and a grant (the “Grant”) for the purpose of financing the Rural Finance and Community Improvement Programme – Phase II described in Schedule 1 to this Agreement (the “Programme”).

NOW THEREFORE, the Parties hereto hereby agree as follows:

### Section A

1. The following documents collectively form this Agreement: this document, the Programme Description and Implementation Arrangements (Schedule 1), the Allocation Table (Schedule 2), and the Special Covenants (Schedule 3).
2. The Fund’s General Conditions for Agricultural Development Financing dated 29 April 2009, as may be amended from time to time (the “General Conditions”) are annexed to this Agreement, and all provisions thereof shall apply to this Agreement. For the purposes of this Agreement the terms defined in the General Conditions shall have the meanings set forth therein.
3. The Fund shall provide a Loan and a Grant to the Borrower/Recipient (the “Financing”), which the Borrower/Recipient shall use to implement the Programme in accordance with the terms and conditions of this Agreement.



## **Section B**

1. A. The amount of the Loan is seven million three hundred and seventy-five thousand Special drawing rights (SDR 7 375 000).

B. The amount of the Grant is seven million three hundred and seventy-five thousand Special drawing rights (SDR 7 375 000).

2. The Loan is extended on highly concessional terms, as defined in the General Conditions. The Loan granted on highly concessional terms is free of interest but bears a service charge of three fourths of one per cent (0.75%) per annum payable semi-annually in the Loan Service Payment Currency, and has a maturity period of forty (40) years, including a grace period of ten (10) years starting from the date of approval of the Loan by the Fund's Executive Board.

3. The Loan Service Payment Currency shall be United States Dollars.

4. The first day of the applicable Fiscal Year shall be January 1<sup>st</sup>.

5. Payments of principal and service charge shall be payable on each May 1<sup>st</sup> and November 1<sup>st</sup>.

6. There shall be three Accounts:

- "Designated Account" in United States Dollars, to be opened in a bank acceptable to the Fund.
- "Programme Account A" in local currency, to be opened in a bank acceptable to the Fund for the benefit of the National Coordination Unit ("NCU").
- "Programme Account B" in local currency for counterpart financing, to be opened in a bank acceptable to the Fund.

7. The Borrower/Recipient shall provide counterpart financing for the Programme in the amount of approximately four million five hundred thousand United States Dollars (USD 4 500 000) to cover taxes and duties, the fixed assets contribution to the APEX Bank "the APEX" and other Programme implementation costs, including supervision, in accordance with the approved Annual Work Plan and Budget ("AWPB") of the Programme.

## **Section C**

1. The Lead Programme Agency ("LPA") shall be Ministry of Agriculture, Forestry and Food Security ("MAFFS"), which shall have the overall responsibility for the implementation of the Programme.

2. The following are designated as additional Programme Parties: the NCU and the APEX.

3. The Programme Completion Date shall be the ninth anniversary of the date of entry into force of this Agreement.

## **Section D**

The Financing will be administered and the Programme supervised by the Fund.

